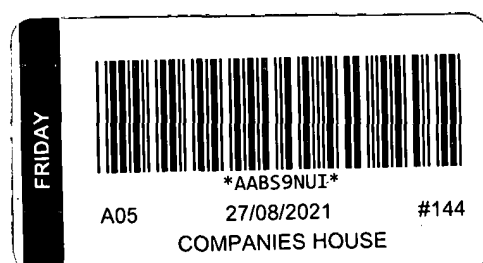


Registered number: 08168311 (England and Wales)
Charity number: 1151323

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

CONTENTS

| | Page |
|---|----------------|
| Reference and administrative details of the Charity, its Trustees and advisers | 1 |
| Trustees' report | 2 - 8 |
| Independent auditors' report on the financial statements | 9 - 11 |
| Consolidated statement of financial activities | 12 |
| Consolidated balance sheet | 13 |
| Charity balance sheet | 14 |
| Consolidated statement of cash flows | 15 |
| Notes to the financial statements | 16 - 35 |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

| | |
|-----------------------------------|--|
| Trustees | L J R Barnes R K Best D Szmigielska Shanly |
| Company registered number | 08168311 (England and Wales) |
| Charity registered number | 1151323 |
| Registered office | Sorbon 24-26 Aylesbury End Beaconsfield Buckinghamshire HP9 1LW |
| Independent auditors | MHA MacIntyre Hudson Chartered Accountants Abbey Place 24-28 Easton Street High Wycombe Buckinghamshire HP11 1NT |
| Bankers | Barclays Bank Plc 34 Market Square Aylesbury Buckinghamshire HP20 1TT |
| Solicitors | Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD |
| Principal Operating Office | Stubbings Lane Henley Road Maidenhead Berkshire SL6 6QL |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31 August 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

• **Objectives and aims**

The principal object of the Charity is to advance to education of the pupils at Beech Lodge School by providing and assisting in the provision of specialised schooling and education services for children between 7 and 18 years of age.

There have been no changes in the objectives since the last annual report.

• **Objectives, Strategies, and Activities**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit. Beech Lodge School Limited is committed to providing quality care and education, creating a nurturing environment to foster resilience, develop a growth mindset and provide opportunities for achievement, enabling every child over time to reach their full potential.

• **Public benefit**

Beech Lodge School is an independent special school for children and young people who are unable to reach their potential in a mainstream setting. Many of the pupils who attend the school have social & emotional difficulties caused by early trauma and adverse childhood experiences, the consequences of which can be extremely challenging and lifelong. The school offers a bespoke, engaging, and flexible curriculum tailored to meet pupil needs, interest, and academic ability. Pupils access a range of subjects, qualifications and extra-curricular activities which enable them to fulfil their potential and prepare for the next stage of their lives. Pupils are taught in small classes with a high adult ratio and specialist teaching. The school works with Local Education Authorities who fund and place pupils at the school.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

• **Main achievements of the Charity**

In September 2019 we opened Lionheart – our new provision for children with specific learning difficulties (Dyslexia, Dyscalculia and Dyspraxia). Our first cohort of Lionheart pupils comprised 3 classes; 2 in the junior (Claremont) wing and 1 class in the senior (Deancroft) wing – a total of 14 new pupils with the addition of existing pupils that we moved to Lionheart.

Overall, across the school our September intake increased numbers to 55 pupils. Applications continued to increase with greater awareness from parents and Local Authorities of the new Lionheart provision. We held 2 Open Mornings which were over-subscribed and extremely well attended.

Our new Headteacher Dan Gillespie formally took over the role having had 9 months working in a senior leadership role under the guidance of Head Lucy Barnes. On Dan's appointment, Lucy was appointed Principal of the school.

We had our first ISI Regulatory Compliance and Educational Quality Inspection between 11th and 13th February. The inspection was in two parts; the Compliance Inspection which reports only on whether the Independent Schools standards have been met or not, and the Educational Quality Inspection which reports on the quality of the schools work. 4 Inspectors visited the school which included the Reporting Inspector, Compliance Team Inspector and two Team Inspectors. The Inspectors observed lessons, conducted formal interviews with pupils, and examined examples of pupils' work. They held discussions with members of staff and with the Proprietor and attended an assembly. Inspectors visited the learning support and educational resource areas. The responses of parents, staff and pupils to pre-inspection questionnaires were analysed and the inspectors examined curriculum and other documentation.

All ISI standards in the Compliance Inspection were met.

The Educational Quality Inspection evaluated us on two key outcomes:

- a) the achievement of the pupils including academic development which was graded as good.
- b) the personal development of the pupils which was graded as excellent

(The ISI uses grade descriptors 'excellent', 'good', 'sound' or 'unsatisfactory')

We were delighted with the findings and the report has given us guidelines for improvement in the academic development of our pupils. Overall, the inspection report was extremely positive with many areas of our work described as excellent. The next ISI inspection will be in 3 years time.

The first few months of the new academic year were not without its challenges however there is no doubt that the biggest impact to the school (along with the rest of the world) was the onset of the COVID-19 pandemic and lockdown which began in March 2020. The impact on our community cannot be underestimated however we are very proud to report that our Senior Leadership Team and staff rose admirably to the challenge and we were able to function very effectively – something that many of our colleagues in other schools and organisations were unable to do.

| |
|--|
| <p>BEECH LODGE SCHOOL LIMITED (A company limited by guarantee)</p> |
|--|

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance (continued)

Main achievements of the Charity (continued)

As an independent special school with a very high population of children classed as vulnerable and who have an EHCP, we effectively remained open throughout the pandemic. Following the ever-changing DfE and government guidance was challenging, however we were able to swiftly apply appropriate risk assessments for each pupil together with the case officers of the placing local authorities and external agencies. Following government guidance, we updated and published new policies to include Covid safety measures including Distance Learning and Support Plans for both staff and parents, a new Health and Safety policy to reflect the implication of covid protection measures and updated Safeguarding Policy. As with all organisations the initial period of uncertainty meant that we had to close our doors and revert to online distance learning for 4 weeks via Microsoft Teams immediately. This was a relatively seamless transition for us as a school as we were fortunate to have those systems in place, however we had to quickly implement training courses and learn new methods of educating our children remotely. Each class had their own timetables which included individual 1-1 sessions such as Occupational Therapy, Speech & Language Therapy, Play Therapy and Pastoral Support for pupils which was carried out remotely via Teams.

What could have descended into chaos was a remarkable success, however due to the vulnerable nature of our pupils and families it was important that we were able to admit our children back into school as soon as possible. Making the school covid-19 secure meant deploying our children into 'bubbles' with social distancing measures in place. We purchased and deployed PPE and had hand sanitiser dispensers fixed in each classroom. A new cleaning regime was implemented to ensure that we were at all times keeping our community safe.

We had to close the school again on one occasion for 2 weeks as we had a COVID-19 outbreak which originated from a family at the school. Online learning was again activated and again, our staff and pupils rose to the challenge.

What came out from this crisis was that Beech Lodge School community is extremely effective, dedicated and operates very well together under very difficult and unexpected circumstances. Our staff under the leadership of Dan Gillespie and Lucy Barnes together with other members of the Senior Leadership Team ensured that our children continued to receive a good education with a broad, balanced and inspired curriculum with minimal loss of learning.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

• **Going concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going-concern basis in preparing the financial statements.

For the group, including Beech Lodge Services Limited, incoming resources were £1,980,499 (2019: £821,320 for 8 month period) and resources expended were £1,811,674 (2019: £957,564 for 8 month period) giving a surplus of £168,825 (2019: deficit for 8 month period of £136,244) for the year.

• **Reserves policy**

Reserves are held to meet future commitments and will be reinvested into the facilities of the school and education of the children. On 31st August 2020 total reserves comprised:

Unrestricted: £113,076 (2019: deficit £55,749) for the group, and £216,737 (2019: £48,275) for the school.

The reserves held effectively represent the commitments due under the property lease.

• **Principal risks and uncertainties**

The trustees have assessed the major risks to which the Charity is exposed, using a RAG rating matrix. The likelihood and impact of various business risks, mainly pertaining to regulatory requirements and financial performance, have been assessed and appropriate actions have been put in place to mitigate exposure to the major risks.

• **Covid-19 Impact**

As far as income is concerned, we are fortunate that all fees for pupils funded by Local Authorities are guaranteed and they have been generally efficient in paying invoices and this makes up approx. 90% of our pupils. We provided a 25% discount for the first half of the summer term to our private fee-paying parent.

We are not entitled to receive any funding from government grants related to closure of the school due to the pandemic, however we furloughed 3 members of staff and were able to operate efficiently without significant external assistance or funding.

As far as expenditure is concerned, whilst the school was closed there was a saving on peripatetic staff except for some additional hours worked to support the vulnerable / key worker pupils. Running costs whilst closed have reduced as we are making use of the Meadow building for the vulnerable / key worker pupils and we have benefitted from some suppliers reducing their fees to allow for distance learning packages.

There is no immediate effect on our financial sustainability, however Local Authority budgets may be cut in future and that may need to be reflected in a reduction in fees going forward.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

• **Constitution**

The Charity is incorporated as a charitable company limited by guarantee and is a registered charity under number 1151323. It is governed by a Memorandum and Articles of Association dated 3rd August 2012 as amended by special resolution dated 19th December 2012.

Details of the trustees who served throughout the year and included in the Reference and Administrative Details on Page 1.

• **Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

• **Organisational structure and decision-making policies**

The School is principally run by the Proprietary Body made up of the Trustees under the chairmanship of Daniela Shanly. Each of the members of the Proprietary Body sit on the school's Advisory Board which oversees the work of the school and helps secure the school's aims. The Advisory Board comprises a team of people who all have a connection with the school. The Advisory Board meets regularly and keeps abreast of responsibilities. It is strongly involved in strategic planning so that resources, both human and material are best used to meet the needs of pupils.

D Shanly takes overall responsibility for the effective running of the school, working closely with the Principal and Headteacher.

• **Pay policy for key management personnel**

The Founders and Bursar set the pay of the Headteacher, and the Founders and Headteacher set the pay of other key management personnel.

Plans for future periods

We endeavour to continue to grow admissions to reach our capacity of 96 pupils. Our Development Plan has been revisited and we intend to grow our outreach provision and implement a school holiday club in future.

We are planning to install a new science laboratory in the main Deancroft building, refurbish our Vox Box to become a library and build a new Design & Technology building in 2021..

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Disclosure of information to auditors


Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 28 May 2021 and signed on their behalf by:


.....
D Szmigielska Shanly
Trustee

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEECH LODGE SCHOOL LIMITED

Opinion

We have audited the financial statements of Beech Lodge School Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEECH LODGE SCHOOL LIMITED
(CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Other matter

The financial statements of Beech Lodge School Limited for the year ended 31 August 2020 were unaudited.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEECH LODGE SCHOOL LIMITED
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

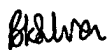
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Bianca Silva ACA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants

Statutory Auditors

Abbey Place

24-28 Easton Street

High Wycombe

Buckinghamshire

HP11 1NT

26 August 2021

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

| | | Unrestricted funds | Total funds | <i>Total funds 8 months ended 31 August 2019</i> |
|------------------------------------|------|------------------------|------------------------|--|
| | Note | 31 August 2020 £ | 31 August 2020 £ | 31 August 2019 £ |
| Income from: | | | | |
| Donations and legacies | 3 | 85,373 | 85,373 | 4,854 |
| Charitable activities | 4 | 1,872,383 | 1,872,383 | 801,669 |
| Other trading activities | 5 | 18,855 | 18,855 | 14,047 |
| Other income | 6 | 3,888 | 3,888 | 750 |
| | | <u>1,980,499</u> | <u>1,980,499</u> | <u>821,320</u> |
| Total income | | | | |
| Expenditure on: | | | | |
| Raising funds | | 18,492 | 18,492 | 30,605 |
| Charitable activities | 7 | 1,793,182 | 1,793,182 | 926,959 |
| | | <u>1,811,674</u> | <u>1,811,674</u> | <u>957,564</u> |
| Total expenditure | | | | |
| | | <u>168,825</u> | <u>168,825</u> | <u>(136,244)</u> |
| Net movement in funds | | | | |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | (55,749) | (55,749) | 80,495 |
| Net movement in funds | | 168,825 | 168,825 | (136,244) |
| | | <u>113,076</u> | <u>113,076</u> | <u>(55,749)</u> |
| Total funds carried forward | | | | |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 35 form part of these financial statements.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08168311 (England and Wales)

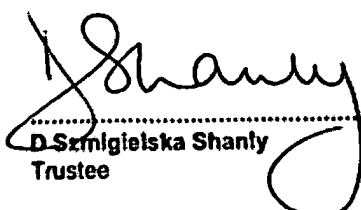
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|--|------|-----------------|------------------|
| Fixed assets | | | |
| Intangible assets | 12 | 8,972 | 10,195 |
| Tangible assets | 13 | 135,375 | 86,910 |
| | | <u>144,347</u> | <u>97,105</u> |
| Current assets | | | |
| Debtors | 15 | 626,153 | 502,326 |
| Cash at bank and in hand | | 294,831 | 214,803 |
| | | <u>920,984</u> | <u>717,129</u> |
| Creditors: amounts falling due within one year | 16 | (952,255) | (869,983) |
| Net current liabilities | | <u>(31,271)</u> | <u>(152,854)</u> |
| Total assets less current liabilities | | <u>113,076</u> | <u>(55,749)</u> |
| Total net assets | | <u>113,076</u> | <u>(55,749)</u> |
| Charity funds | | | |
| Unrestricted funds | 17 | 113,076 | (55,749) |
| Total funds | | <u>113,076</u> | <u>(55,749)</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 28 May 2021 and signed on their behalf by:


D. Szmitgielska Shanty
Trustee

The notes on pages 16 to 35 form part of these financial statements.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08168311 (England and Wales)

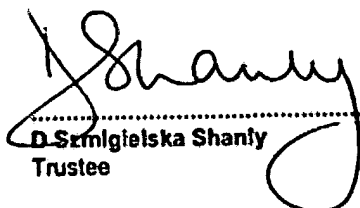
CHARITY BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 109,099 | 57,714 |
| Investments | 14 | 2 | 2 |
| | | <u>109,101</u> | <u>57,716</u> |
| Current assets | | | |
| Debtors | 15 | 769,175 | 622,152 |
| Cash at bank and in hand | | 271,476 | 197,134 |
| | | <u>1,040,651</u> | <u>819,286</u> |
| Creditors: amounts falling due within one year | 16 | (933,015) | (828,727) |
| Net current assets / liabilities | | <u>107,636</u> | <u>(9,441)</u> |
| Total assets less current liabilities | | <u>216,737</u> | <u>48,275</u> |
| Total net assets | | <u>216,737</u> | <u>48,275</u> |
| Charity funds | | | |
| Unrestricted funds | 17 | 216,737 | 48,275 |
| Total funds | | <u>216,737</u> | <u>48,275</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 28 May 2021 and signed on their behalf by:


D Szmlgielska Shanty
 Trustee

The notes on pages 16 to 35 form part of these financial statements.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | 31 August 2020 £ | <i>8 months ended 31 August 2019 £</i> |
|---|---------------------------------|--|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 155,712 | 147,657 |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (75,684) | (50,510) |
| Net cash used in investing activities | (75,684) | (50,510) |
| Cash flows from financing activities | | |
| Net cash provided by financing activities | - | - |
| Change in cash and cash equivalents in the year | 80,028 | 97,147 |
| Cash and cash equivalents at the beginning of the year | 214,803 | 117,656 |
| Cash and cash equivalents at the end of the year | 294,831 | 214,803 |

The notes on pages 16 to 35 form part of these financial statements

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Beech Lodge School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page . In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

1.4 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least 12 months from the date of authorisation of the financial statements.

The charity has net current assets of £107,636 at 31 August 2020, and together with budgets for the following periods, the trustees do not consider there are any material uncertainties in respect of going concern.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Charitable activities and Governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1.7 Tangible fixed assets and depreciation

All assets costing more than £50 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|-----------------------|---------------------------|
| Fixtures and fittings | - 20% - 33% straight line |
| Computer equipment | - 25% straight line |

1.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

Retirement benefits to employees of the School are provided by the Teacher's Pension Scheme ('TPS'). This is a defined benefit scheme, contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Charity.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi employer scheme and the Charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

1.16 Intangible assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following bases:

| | | |
|-------------------------|---|----------|
| Development expenditure | - | 10 years |
| Trademarks | - | 10 years |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The Trustees do not consider there to be any critical accounting estimates or judgments used in preparing the financial statements.

3. Income from donations and legacies

| | Unrestricted funds | Total funds | <i>Total funds 8 months ended</i> |
|-------------------|------------------------|------------------------|---|
| | 31 August 2020 £ | 31 August 2020 £ | 31 August 2019 £ |
| Donations | 85,373 | 85,373 | 4,854 |
| | <u>85,373</u> | <u>85,373</u> | <u>4,854</u> |
| <i>Total 2019</i> | <u>4,854</u> | <u>4,854</u> | |

4. Income from charitable activities

| | Unrestricted funds | Total funds | <i>Total funds 8 months ended</i> |
|-------------------|------------------------|------------------------|---|
| | 31 August 2020 £ | 31 August 2020 £ | 31 August 2019 £ |
| Fees receivable | 1,872,383 | 1,872,383 | 801,669 |
| | <u>1,872,383</u> | <u>1,872,383</u> | <u>801,669</u> |
| <i>Total 2019</i> | <u>801,669</u> | <u>801,669</u> | |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Income from other trading activities

Income from non charitable trading activities

| | Unrestricted funds | Total funds | <i>Total funds 8 months ended 31 August 2019 £</i> |
|--------------------------------|------------------------|------------------------|--|
| | 31 August 2020 £ | 31 August 2020 £ | |
| Income from trading subsidiary | 18,855 | 18,855 | 14,047 |
| | <u>14,047</u> | <u>14,047</u> | |
| <i>Total 2019</i> | | | |

6. Other incoming resources

| | Unrestricted funds | Total funds | <i>Total funds 8 months ended 31 August 2019 £</i> |
|--------------------------|------------------------|------------------------|--|
| | 31 August 2020 £ | 31 August 2020 £ | |
| Loan interest receivable | 3,888 | 3,888 | 750 |
| | <u>750</u> | <u>750</u> | |
| <i>Total 2019</i> | | | |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds | Total funds | <i>Total funds 8 months ended</i> |
|------------------------|---------------------------------|---------------------------------|---|
| | 31 August 2020 £ | 31 August 2020 £ | 31 August 2019 £ |
| Provision of education | 1,793,182 | 1,793,182 | 926,959 |
| <i>Total 2019</i> | 926,959 | 926,959 | |

8. Analysis of expenditure by activities

| | Activities undertaken directly | Support costs | Total funds | <i>Total funds 8 months ended</i> |
|------------------------|---|---------------------------------|---------------------------------|---|
| | 31 August 2020 £ | 31 August 2020 £ | 31 August 2020 £ | 31 August 2019 £ |
| Provision of education | 1,350,543 | 442,639 | 1,793,182 | 926,959 |
| <i>Total 2019</i> | 620,581 | 306,378 | 926,959 | |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Total funds | <i>Total funds 8 months ended</i> |
|--------------------------------|---------------------------|---|
| | 31 August 2020 | 31 August 2019 |
| | £ | £ |
| Wages and salaries | 1,066,944 | 484,173 |
| Depreciation | 24,602 | 15,641 |
| Staff development | 26,785 | 13,170 |
| Educational consultancy | 116,681 | 53,927 |
| Educational supplies | 111,393 | 50,504 |
| Speech therapy and consultancy | 4,138 | 3,166 |
| | 1,350,543 | 620,581 |

Analysis of support costs

| | Total funds | <i>Total funds 8 months ended</i> |
|---------------------------------------|---------------------------|---|
| | 31 August 2020 | 31 August 2019 |
| | £ | £ |
| Wages and salaries | 111,960 | 73,586 |
| Staff development | 10,998 | 6,658 |
| Technology costs | 13,871 | 6,582 |
| Maintenance of premises and equipment | 26,693 | 30,060 |
| Rent and rates | 190,495 | 107,766 |
| Administrative supplies | 26,645 | 16,762 |
| Legal and professional | 19,991 | 15,291 |
| Insurance | 8,979 | 6,211 |
| Other support costs | 33,007 | 43,462 |
| | 442,639 | 306,378 |

BEECH LODGE SCHOOL LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020****9. Auditors' remuneration**

| | 2020 £ | 2019 £ |
|-------------------------|---------------|--------------|
| Audit | 9,000 | - |
| Independent examination | - | 3,450 |
| Non-audit services | 5,888 | - |
| | 14,888 | 3,450 |

10. Staff costs

| | Group | <i>Group 8 months ended</i> | Charity | <i>Charity 8 months ended</i> |
|-----------------------|---------------------------------|-------------------------------------|---------------------------------|---------------------------------------|
| | 31 August 2020 £ | 31 August 2019 £ | 31 August 2020 £ | 31 August 2019 £ |
| Wages and salaries | 963,475 | 483,995 | 961,119 | 466,409 |
| Social security costs | 82,040 | 41,205 | 82,040 | 41,205 |
| Other pension costs | 135,745 | 50,145 | 135,745 | 50,145 |
| | 1,181,260 | 575,345 | 1,178,904 | 557,759 |

The average number of persons employed by the Charity during the year was as follows:

| | Group | <i>Group 8 months ended</i> | Charity | <i>Charity 8 months ended</i> |
|-----------|-----------------------------------|-------------------------------------|-----------------------------------|---------------------------------------|
| | 31 August 2020 No. | 31 August 2019 No. | 31 August 2020 No. | 31 August 2019 No. |
| Education | 39 | 29 | 39 | 29 |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charitable company is the Headteacher. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services was £123,395 (2019: £56,417).

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Trustees' remuneration and expenses

| | | 31 August 2020 £ | <i>8 months ended 31 August 2019 £</i> |
|--------------|----------------------------|---------------------------------|--|
| L J R Barnes | Remuneration | 35,748 | 43,333 |
| | Pension contributions paid | 9,318 | 7,891 |

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

12. Intangible assets

Group

| | Development £ | Trademarks £ | Total £ |
|-----------------------|--------------------------|-------------------------|--------------------|
| Cost | | | |
| At 1 September 2019 | 8,428 | 3,806 | 12,234 |
| At 31 August 2020 | 8,428 | 3,806 | 12,234 |
| Amortisation | | | |
| At 1 September 2019 | 1,405 | 634 | 2,039 |
| Charge for the year | 843 | 380 | 1,223 |
| At 31 August 2020 | 2,248 | 1,014 | 3,262 |
| Net book value | | | |
| At 31 August 2020 | 6,180 | 2,792 | 8,972 |
| At 31 August 2019 | 7,023 | 3,172 | 10,195 |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Tangible fixed assets

Group

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|--------------------------|-------------------------------|----------------------------|----------------|
| Cost or valuation | | | |
| At 1 September 2019 | 85,854 | 68,023 | 153,877 |
| Additions | 36,174 | 39,510 | 75,684 |
| At 31 August 2020 | <u>122,028</u> | <u>107,533</u> | <u>229,561</u> |
| Depreciation | | | |
| At 1 September 2019 | 22,195 | 44,772 | 66,967 |
| Charge for the year | 18,150 | 9,069 | 27,219 |
| At 31 August 2020 | <u>40,345</u> | <u>53,841</u> | <u>94,186</u> |
| Net book value | | | |
| At 31 August 2020 | <u>81,683</u> | <u>53,692</u> | <u>135,375</u> |
| At 31 August 2019 | <u>63,659</u> | <u>23,251</u> | <u>86,910</u> |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Tangible fixed assets (continued)

Charity

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|--------------------------|-------------------------------|----------------------------|----------------|
| Cost or valuation | | | |
| At 1 September 2019 | 56,658 | 68,023 | 124,681 |
| Additions | 36,174 | 39,510 | 75,684 |
| At 31 August 2020 | <u>92,832</u> | <u>107,533</u> | <u>200,365</u> |
| Depreciation | | | |
| At 1 September 2019 | 22,195 | 44,772 | 66,967 |
| Charge for the year | 15,230 | 9,069 | 24,299 |
| At 31 August 2020 | <u>37,425</u> | <u>53,841</u> | <u>91,266</u> |
| Net book value | | | |
| At 31 August 2020 | <u>55,407</u> | <u>53,692</u> | <u>109,099</u> |
| At 31 August 2019 | <u>34,463</u> | <u>23,251</u> | <u>57,714</u> |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|---|
| Charity | |
| Cost or valuation | |
| At 1 September 2019 | 2 |
| | <hr/> |
| At 31 August 2020 | 2 |
| | <hr/> <hr/> |
| Net book value | |
| At 31 August 2020 | 2 |
| | <hr/> |
| At 31 August 2019 | 2 |
| | <hr/> <hr/> |

Beech Lodge School Services Limited is a wholly owned subsidiary of the Charity. Its registered company number is 07863609. Its principal activity is education.

The financial results of the subsidiary for the period were:

| | 2020 £ | 2019 £ |
|-------------------------------------|-----------------|-----------------|
| Beech Lodge School Services Limited | | |
| Income | 18,855 | 14,047 |
| Expenditure | <u>(18,492)</u> | <u>(30,605)</u> |
| Profit/(loss) for the period | 363 | (16,558) |
| Net liabilities | (103,659) | (104,022) |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Debtors

| | Group 2020 £ | Group 2019 £ | Charity 2020 £ | Charity 2019 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Due within one year | | | | |
| Trade debtors | 608,661 | 472,609 | 606,467 | 467,469 |
| Amounts owed by group undertakings | - | - | 145,506 | 131,076 |
| Prepayments and accrued income | 17,256 | 25,690 | 17,202 | 23,607 |
| Tax recoverable | 236 | 4,027 | - | - |
| | <u>626,153</u> | <u>502,326</u> | <u>769,175</u> | <u>622,152</u> |

16. Creditors: Amounts falling due within one year

| | Group 2020 £ | Group 2019 £ | Charity 2020 £ | Charity 2019 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Amounts owed to related parties | 33,000 | 48,039 | 33,000 | 48,039 |
| Trade creditors | 59,835 | 64,055 | 58,747 | 39,484 |
| Other taxation and social security | 43,687 | 16,040 | 43,687 | 16,040 |
| Other creditors | 25,685 | 15,532 | 24,546 | 14,393 |
| Accruals and deferred income | 790,048 | 726,317 | 773,035 | 710,771 |
| | <u>952,255</u> | <u>869,983</u> | <u>933,015</u> | <u>828,727</u> |

| | Group 2020 £ | Group 2019 £ |
|--|--------------------|--------------------|
| Deferred income at beginning of period | 649,466 | 353,972 |
| Resources deferred during the period | 759,836 | 649,466 |
| Amounts released from previous periods | (649,466) | (353,972) |
| | <u>759,836</u> | <u>649,466</u> |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds

Statement of funds - current year

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Balance at 31 August 2020 £ |
|---------------------------|--|------------------|--------------------|--------------------------------------|
| Unrestricted funds | | | | |
| Reserves | 48,275 | 1,961,644 | (1,793,182) | 216,737 |
| Trading subsidiary | (104,024) | 18,855 | (18,492) | (103,661) |
| | <u>(55,749)</u> | <u>1,980,499</u> | <u>(1,811,674)</u> | <u>113,076</u> |

Statement of funds - prior year

| | Balance at 1 January 2019 £ | Income £ | Expenditure £ | Balance at 31 August 2019 £ |
|---------------------------|--------------------------------------|----------------|------------------|--------------------------------------|
| Unrestricted funds | | | | |
| Reserves | 167,961 | 807,273 | (926,959) | 48,275 |
| Trading subsidiary | (87,466) | 14,047 | (30,605) | (104,024) |
| | <u>80,495</u> | <u>821,320</u> | <u>(957,564)</u> | <u>(55,749)</u> |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|--|---------------------------------------|
| Tangible fixed assets | 135,375 | 135,375 |
| Intangible fixed assets | 8,972 | 8,972 |
| Current assets | 920,984 | 920,984 |
| Creditors due within one year | (952,255) | (952,255) |
| Total | 113,076 | 113,076 |

Analysis of net assets between funds - prior period

| | <i>Unrestricted funds 2019 £</i> | <i>Total funds 2019 £</i> |
|-------------------------------|--|---------------------------------------|
| Tangible fixed assets | 86,910 | 86,910 |
| Intangible fixed assets | 10,195 | 10,195 |
| Current assets | 717,129 | 717,129 |
| Creditors due within one year | (869,983) | (869,983) |
| Total | (55,749) | (55,749) |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2020 £ | <i>Group 8 months ended 2019 £</i> |
|--|-----------------------------|--|
| Net income/expenditure for the period (as per Statement of Financial Activities) | 168,825 | (136,244) |
| Adjustments for: | | |
| Depreciation charges | 27,219 | 15,641 |
| Amortisation charges | 1,223 | 816 |
| Increase in debtors | (123,827) | (107,951) |
| Increase in creditors | 82,272 | 375,395 |
| Net cash provided by operating activities | 155,712 | 147,657 |

20. Analysis of cash and cash equivalents

| | Group 2020 £ | <i>Group 2019 £</i> |
|--|-----------------------------|-----------------------------|
| Cash in hand | 294,831 | 214,803 |
| Total cash and cash equivalents | 294,831 | 214,803 |

21. Analysis of changes in net debt

| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ |
|--------------------------|--|-------------------------|------------------------------------|
| Cash at bank and in hand | 214,803 | 80,028 | 294,831 |
| | 214,803 | 80,028 | 294,831 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. Pension commitments

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website <https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>.

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. Pension commitments (continued)

Scheme changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

23. Operating lease commitments

At 31 August 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Charity 2020 £ | <i>Charity 2019 £</i> |
|--|-------------------------------|-------------------------------|
| Not later than 1 year | 203,834 | <i>148,862</i> |
| Later than 1 year and not later than 5 years | 629,917 | <i>583,292</i> |
| Later than 5 years | - | <i>24,000</i> |
| | 833,751 | <i>756,154</i> |

BEECH LODGE SCHOOL LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. Related party transactions

The Shanly Foundation donated £80,000 (2019: £3,750) to Beech Lodge School during the year. M Shanly is a trustee of the Shanly Foundation and is husband of D Szmigielska Shanly.

M Shanly is a Director of Beech Lodge Properties Limited to which Beech Lodge School Limited paid £162,432 (2019: £86,640) in the year for rental of property. At the Balance Sheet date £33,000 (2019: £48,039) was owed to Beech Lodge Properties Limited.

R Best received £1,250 (2019: £nil) for Educational Psychology service therapy in the year. There were no other disclosable related party transactions.